VZCZCXRO0329 RR RUEHAST RUEHHM RUEHLN RUEHMA RUEHPB RUEHPOD RUEHTM DE RUEHNR #2842/01 3540508 ZNR UUUUU ZZH R 190508Z DEC 08 FM AMEMBASSY NAIROBI TO RUEHC/SECSTATE WASHDC 8013 INFO RUEHZN/ENVIRONMENT SCIENCE AND TECHNOLOGY COLLECTIVE RUEHC/DEPT OF INTERIOR WASHDC RUEHRC/DEPT OF AGRICULTURE WASHDC RUCPDOC/DEPT OF COMMERCE WASHDC RUEAEPA/HQ EPA WASHDC

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DEPT ALSO FOR OES, OES/ENRC MARK JOHNSON, OES/ENV, OES/EGC ED FENDLEY AND DREW NELSON, AF/E, AND AF/EPS

POSTS FOR REO AND ESTH OFFICERS

ADDIS ABABA FOR REO KIRSTEN BAUMAN

INTERIOR FOR US FISH AND WILDLIFE SERVICE AND US GEOLOGICAL SURVEY DR. JAYNE BELNAP

AGRICULTURE FOR US FOREST SERVICE

COMMERCE FOR BECKY ERKUL

SENSITIVE

SIPDIS

E.O. 12958: N/A

TAGS: <u>SENV ETRD KCRM EINV BTIO ENRG KGHG ECON KE</u>
SUBJECT: LACEY AMENDMENTS WILL HELP KENYA PROTECT ITS DWINDLING SANDALWOOD AND OTHER PRECIOUS INDIGENOUS PLANTS

REFS: (A) STATE 126654 (B) NAIROBI 2710

(C) NAIROBI 2220 AND PREVIOUS

- (U) As instructed ref A, upon receipt, post provided Lacey Act amendments to the Kenyan Ministry of Trade, Ministry of Foreign Affairs, Ministry of Forestry and Wildlife, National Environment Management Authority, and Forest Service, pointing out that the new regulations will help backstop Kenya's own efforts to protect rare indigenous plants and combat illegal logging.
- 12. (U) On December 17 econoff met with Forest Service deputy commandant for enforcement and compliance Alex Lemarkoko and head of corporate communications Raphael Mworia to review the Lacey Act amendments and learn more about Kenya's efforts to protect its dwindling forests (refs B-C), stem illegal charcoal production, and stop smuggling in sandalwood.

- Sad Sandalwood Saga
- ¶3. (SBU) Both men said Kenya is grappling with a pervasive black market in sandalwood and expressed confidence that the Lacey Act amendments would help re-enforce the Forest Service's own efforts to combat illegal trade in protected plants. In recent weeks, Forest Service and Kenya Wildlife Service rangers have impounded several trucks (including an impressive 18-wheeler seen by econoff) en route to Tanzania full of sandalwood. Some 120 tons of the bush's fragrant root have been confiscated and burned just since early November 2008. Much of the sandalwood was interdicted in Namanga, a city bordering Tanzania, north of Arusha.
- (SBU) The Kenya Forest Service believes a sophisticated cartel, based in Nakuru, is purchasing sandalwood, which is protected by a 2007 presidential decree, from middlemen for 200 shillings (\$2.50) per kilo. The middlemen obtain the wood from impoverished pastoralists in the semi-arid northern regions of Kenya for a pittance: 5 to 20 shillings (\$.06 to \$.25) per kilo. The Forest Service officials believe the wood is eventually sold in Dar es Salaam for onward shipment to Asia and the Middle East for 1000 to

2000 shillings (\$12.50 to \$25.00) per kilo. The Kenyans have learned that a major buyer in Dar es Salaam is the "Indo-African Essential Oils, Ltd. Company."

- 15. (SBU) Kenyan efforts to put a stop to the illegal trade in local sandalwood are hampered, Mworia and Lemarkoko acknowledged, by its legal harvesting, processing, and sale in neighboring Uganda and Tanzania. Truck drivers moving Kenyan sandalwood, when pulled over, usually present certificates of origin, customs declarations, and transit documents ostensibly issued by Ugandan Customs asserting that the wood was harvested in Uganda. Mworia said Ugandan Customs has cooperated with the Kenya Plant and Animal Inspectorate Service (KEPHIS), Forest Service, and Customs Service in examining the documents, invariably found to be fraudulent. The Kenyan authorities have arrested a number of clearing agents, one of whom is now supplying details about the cartel's operations.
- 16. (SBU) Both men admitted Kenya's five-year ban on sandalwood sales has unwittingly bolstered the black market. The Forest Service intends to rally the Ministry of Industrialization in developing legal guidelines on how the root might be properly harvested and processed into sandalwood oil in future. Making the business legal in Kenya would help the Forest Service convince pastoralists that it is in their self-interest to cultivate and harvest the plant in a sustainable way.

Money Motivates Mau Deforestation

17. (SBU) Lemarkoko and Mworia also discussed their agency's ongoing efforts to protect Kenya's five water towers, notably the Mau

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catchment area (refs B-C). In late June 2008, e.g., the Forest Service confiscated 52 tons of podo timber and eight tons of rosewood supposedly cut on private farms but actually downed in the Mau Forest. The two Kenyan officials said forest rangers routinely interdict trucks laden with indigenous timber and finished wood products, such as doors and window frames, on their way from Narok to Mombasa Port. The lumber and finished wood products, they believe, are destined for Asia. They bemoaned that the Forest Service's 2,600 rangers are simply unable to prevent all the illegal felling of timber on Kenya's 1.7 million hectares of gazetted forest. As in the case of sandalwood, money is the motivation behind the illegal cutting, in violation of the 2005 Forest Act, of prized indigenous trees like African red cedar, podo, and mahogany. They admitted that a few forest rangers, who earn a mere 13,000 shillings (\$165) per month, are tempted to take bribes to look the other way when protected trees are taken.

Poaching Hot Line Established

18. (U) Poaching of flora and fauna is such a major concern in Kenya that the Ministry of Forestry and Wildlife has just established a toll-free hotline for citizens to alert the ministry's permanent secretary and deputy secretary about alleged instances of illegal hunting of bush meat; trade in contraband (animal skins, ivory, rhino horn, other animal parts, and live animals); unauthorized logging and charcoal burning; sandalwood smuggling; and unauthorized farming and livestock grazing in protected forests.

Ranneberger